Cases registered with BIFR

420. DR. B.B. DUTTA: Will the Minister of FINANCE be pleased to state:

(a) Number of cases registered with the BIFR during 1993, 1994, 1995 and first six months of 1996;

(b) what has been the performance of BIFR in disposing these cases;

(c) details of the cases i.e. recommendations' of BIFR in the above cases;

.(d) how many cases are still pending with the BIFR; and

(e) details of the steps taken for their speedy disposal.

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) The Board for Industrial and Financial Reconstruction (BIFR) has reported that 508 cases of sick industrial companies were registered with it during the period from 01.01.1993 to 30.06.1996. The year-wise details are given below:

Year	No. of companies registered with BIFR
1993	152
1994	193
1995	117
1996 (upto 30.06.1996)	46
Total	508

(b) to (d) The status as on 30.06.1996 of 508 cases registered with BIFR is given as under:

—	Rehabilitation/revival schemes sanctioned	96
—	Winding up recommended to concerned High Court	75
—	Dismissed as non-maintainable	128
—	Declared no longer sick	9
—	Dropped as net worth became positive during inquiry	8
—	Under inquiry	190
—	Proceedings closed	2

(c) BIFR has reported that cases of sick industrial companies registered with it are dealt with in accordance with the provisions of Sick Industrial Companies (Special Provisions) Act, 1985 (SICA). In terms of relevant provisions of SICA, rehabilitation/revival schemes are sanctioned, wherever feasible by providing for, among other things, reliefs/concessions on loans of financial institutions/ banks, provisions, of working capital by banks, induction of additional.equity by promoters, etc. In cases where feasible proposals are not received, winding up of the companies is recommended by the BIFR to concerned High Courts for further necessary action. BIFR has further reported that it has streamlined its procedures and has reduced the overall duration of proceedings to ensure expeditious disposal of cases.

Merger of Rural Banks with other Banks

421. SHRI SAN J AY DALMIA: Will the Minister of FINANCE be pleased to state:

(a) whether the number of branches of rural banks are higher than the branches of other banks in the country;

(b) whether Government propose to merge these banks for improving their functioning;

(c) whether rural banks are incurring losses in the absence of such a merger;

(d) if so, the details thereof; and

(e) whether the pay scales revised in 1995 are not being given to the employees of rural banks?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) No, Sir.

(b) In the past, various alternatives including merger were considered for revamping the Regional Rural Banks (RRBs), and a decision has been taken to revitalise them on a "Stand alone", basis.

(c) and (d) No, Sir. While most of the RRBs are incurring losses, the losses are mainly attributable to high establishment